2008-00-327

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

COMPLIANCE OF KENTUCKY-AMERICAN

WATER COMPANY, AMERICAN WATER WORKS COMPANY, RWE AKTIENGESELLSCHAFT AND THAMES WATER AQUA HOLDINGS GMBH WITH THE PROVISIONS OF THE ORDERS APPROVING THE TRANSFER OF CONTROL

IN THE MATTER OF:

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PUBLIC S COMM				
CASE NO.				

OF KENTUCKY-AMERICAN WATER COMPANY)
TO RWE AKTIENGESELLSCHAFT AND)
THAMES WATER AQUA HOLDINGS GMBH)

REQUEST

Kentucky-American Water Company, Thames Water Aqua Holdings GmbH, Thames Water Aqua U.S. Holdings, Inc., RWE Aktiengesellschaft, and American Water Works Company, Inc. request the Public Service Commission's approval, pursuant to Condition No. 32 of the Order of December 20, 2002 in Case No. 2002-00317, of the payment of a dividend on common stock by Kentucky-American Water Company on September 26, 2008 in the amount of \$1,394,977.99. This dividend was declared on July 22, 2008 in conformity with the existing policy of the payment of 75% of earnings available for common dividends. The common dividends paid on March 28, 2008, June 27, 2008 and the July 22, 2008 declared dividend collectively represent more than 5% of the retained earnings of Kentucky-American Water Company as of December 31, 2007, as shown on the spreadsheet attached hereto.

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BY:

Counsel for Kentucky-American Water Company, Thames Water Aqua Holdings GmbH, Thames Water Aqua US Holdings, Inc., RWE AG and American Water Works Company, Inc.

CERTIFICATION

This is to certify that the electronic version of this pleading is a true and accurate copy of the pleading filed in paper medium; that the Petitioners have notified the Commission and the parties in Case No. 2002-00317 by electronic mail on August 6, 2008 that the electronic version of this pleading has been transmitted to the Commission, and that a copy has been served by mail upon:

Foster Ockerman, Jr., Esq. Martin, Ockerman & Brabant 200 North Upper Street Lexington, Kentucky 40507

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and that the original and three copies will be filed with the Public Service Commission in paper medium on August 6, 2008.

BY:

Counsel for Kentucky-American Water Company, Thames Water Aqua Holdings GmbH, Thames Water Aqua US Holdings, Inc., RWE AG and American Water Works Company, Inc.

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Kentucky American Water Company - Dividend Record

Quarter Ending	Earnings Available	Dividend	%	Payable Date	Rate Per Share	Earnings Adjustments
12/31/2001	985,286.00	736,673.77	0.7477	3/29/2001	0.47	\$54,941.00
3/31/2001	1,041,891.00	783,695.50	0.7522	6/28/2001	0.50	2,480.00
6/30/2001	2,119,261.00	1,583,064.91	0.7470	9/27/2001	1.01	151,574.00
9/30/2001	2,250,146.00	1,692,782.28	0.7523	12/28/2001	1.08	152,301.00
12/31/2001	1,520,074.00	1,144,195.43	0.7527	3/28/2002	0.73	151,574.00
3/31/2002	769,122.00	579,934.67	0.7540	6/27/2002	0.37	61,812.00
6/30/2002	1,506,594.00	1,128,521.52	0.7491	9/27/2002	0.72	325,152.00
9/30/2002	2,490,126.00	1,865,195.29	0.7490	12/30/2002	0.85	172,665.00
12/31/2002	1,281,941.00	956,108.51	0.7458	3/28/2003	0.61	0.00
3/28/2003	607,466.00	454,543.39	0.7483	6/23/2003	0.29	0.00
6/27/2003	990,033.00	752,347.68	0.7599	9/22/2003	0.48	0.00
9/26/2003	1,656,661.00	1,238,238.89	0.7474	12/15/2003	0.79	0.00
12/12/2003	1,059,560.00	799,369.41	0.7544	3/29/2004	0.51	0.00
4/2/2004	160,286.00	109,717.37	0.6845	6/28/2004	0.07	0.00
6/25/2004	806,206.00	611,282.49	0.7582	9/20/2004	0.39	0.00
9/24/2004	515,915.00	391,847.75	0.7595	12/6/2004	0.25	0.00
12/10/2004	49,559.00	31,347.82	0.6325	3/21/2005	0.02	0.00
3/25/2005	124,982.00	862,065.05	6.8975	6/20/2005	0.55	0.00
6/24/2005	(632,171.00)	•••	0.0000	9/19/2005	0.00	0.00
9/23/2005	2,761,477.00	830,717.23	0.3008	12/5/2005	0.53	0.00
12/9/2005	(556,372.00)	-	0.0000	3/20/2006	0.00	0.00
3/24/2006	635,759.00	62,695.64	0.0986	6/19/2006	0.04	0.00
6/30/2006	918,150.00	689,652.04	0.7511	9/18/2006	0.44	0.00
9/30/2006	1,683,018.00	1,253,912.80	0.7450	12/4/2006	0.80	0.00
12/31/2006	1,305,189.00	971,782.42	0.7446	3/29/2007	0.62	0.00
3/31/2007	295,479.00	235,108.65	0.7957	6/28/2007	0.15	0.00
6/30/2007	1,428,149.00	1,050,151.97	0.7353	9/27/2007	0.67	0.00
9/30/2007	2,533,648.00	1,912,217.02	0.7547	12/30/2007	1.22	0.00
12/31/2007	1,467,968.00	1,097,173.70	0.7474	3/28/2008	0.70	0.00
3/31/2008	1,286,411.00	956,108.51	0.7432	6/27/2008	0.61	0.00
6/30/2008	1,846,501.00	1,394,977.99	0.7555	9/26/2008	0.89	0.00